



MEETING MINUTES
COMMUNITY ADVISORY COMMITTEE MEETING
JUNE 27, 2019
1:00 PM

50 Santa Rosa Avenue, Fifth Floor, Santa Rosa, California

I. CALL TO ORDER

Chair Dowd called the meeting to order at 1:00pm.

Staff present: Geof Syphers, Chief Executive Officer; Mike Koszalka, Chief Operating Officer; Stephanie Reynolds; Director of Internal Operations; and Jessica Mullan, General Counsel.

Committee Members present: Chair Dowd, Vice Chair Mattinson, and Members Brophy, Chaban, Como, Fenichel, Nicholls, and Quinlan.

CM Baldwin arrived at approximately 1:02 P.M.

Chair Dowd announced that CM Como had identified potential conflicts of interest and will be recusing himself from the standing Legislative and Regulatory Update; Chair Dowd stated that the Legislative and Regulatory Update will be moved on the agenda out of consideration for CM Como's schedule.

CM Brophy requested that item #2 be removed from the consent calendar for the purposes of further discussion.

II. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

Public comment: Mary Fricker, reporter for Sonoma West Publishing, introduced herself and thanked the Committee members for their assistance with a story she is writing about SCP.

III. COMMUNITY ADVISORY COMMITTEE CONSENT CALENDAR

1. Approve May 21, 2019, Community Advisory Committee Meeting Minutes

Motion to approve the May 21, 2019, Community Advisory Committee Meeting Minutes by CM Nicholls.

Second: CM Mattinson.

Motion passed: 8-0-1

IV. COMMUNITY ADVISORY COMMITTEE REGULAR CALENDAR

2. Recommend Board Approval of Professional Services Agreement with S2 Advertising for Comprehensive Media Consulting Services

CM Brophy requested additional information from staff regarding background on the contract, details on the scope of work and clarification on the overall dollar amount.

CEO Syphers stated that the consultant, S2 Advertising, works on a commission basis for placing ads on behalf of SCP, and that most of the contract value is pass-through costs for direct ad placement. Director of Public Affairs & Marketing, Kate Kelly, noted that S2 helps SCP obtain lower costs for direct ad placement, tracks ad metrics, produces media on behalf of SCP, and streamlines the overall payment process by providing a single invoice for multiple media placements. CM Brophy requested additional clarification on the fee structures for the agreement and General Counsel Mullan detailed instances where S2 would receive commission (direct ad placement) versus an hourly rate (production of media).

CM Quinlan asked if there are formal metrics for tracking the effectiveness of advertising, and Director Kelly stated that customer retention rates are the primary method for measuring the effectiveness of advertising; she noted that the Marketing department is considering a comprehensive customer satisfaction survey but has not moved forward due to the large cost associated with this type of survey. CEO Syphers stated that SCP also has participation data from each program that SCP operates.

CM Brophy asked about retention rates and requested that staff provide a graphic of retention rates over time. CEO Syphers noted that this information is available in SCP's Integrated Resource Plan and will be updated in 2020; Director of Internal Operations, Stephanie Reynolds, advised the CAC that she would include in the Operations Report for the next CAC meeting.

CM Fenichel asked about sponsorship opportunities like Country Summer and whether S2 Advertising advises SCP on which sponsorships to pursue; Director Kelly noted that these determinations are generally made on the staff level.

Public comment: None

Motion to Recommend Board Approval of Professional Services Agreement with S2 Advertising for Comprehensive Media Consulting Services by CM Fenichel.

Second: CM Nicholls

Motion passed: 9-0-0

3. Receive Operations Report and Provide Input as Appropriate

CEO Geof Syphers introduced the item by providing an update on SCP's NetGreen program, which in its current iteration, provided \$862k to 2,027 customers who generated excess value from their solar arrays. This is the largest payout since SCP instituted the program. CEO Syphers noted that staff will likely be bringing an item back to the CAC due to pending building code changes calling for solar installations on all new residential buildings beginning in January 2020, and the impacts this will have on the NetGreen program.

Director Reynolds updated the CAC on recent outreach from the County Administrator of Lake County regarding that jurisdiction's interest in community choice. She then noted that the City of Cotati approved switching their municipal accounts to EverGreen. Director Reynolds noted that the City of Sebastopol and the County of Sonoma seemingly adopted EverGreen based on media reports, but staff is still waiting for confirmation from the respective jurisdictions. CM Quinlan asked whether CAC members are prohibited from advocating on behalf of jurisdictions adopting EverGreen and General Counsel Mullan said she would research the matter.

Director Reynolds then detailed SCP hosting the Mike Hauser Academy, which is a local summer program for incoming high school freshman that focuses on STEM education. CM Mattinson asked if SCP will continue to have a student representative on the CAC, and Director Reynolds stated this will be considered at an upcoming meeting once recruitments for the CAC are opened.

Director of Programs Cordel Stillman provided an update on the Programs Strategic Action Plan, which is updated on a biennial basis and outlines progress and goals for existing programs, as well as potential programs to adopt in the future.

CM Baldwin asked about the status of investigating the use of biomass power generation in SCP territory. Director Stillman noted that this technology isn't easily deployed due to the cost-effectiveness of biomass generation. CM Nicholls detailed a recent meeting with Rural Counties Representatives of California and their efforts towards biomass adoption and stated that he could put staff in contact with them to potentially leverage resources.

CM Chaban asked about new programs such as CalEV funding. Director Stillman stated that SCP's application for CalEV grant funding has received positive feedback and it seems likely that SCP may be a recipient of the grant for installing level 2 and 3 charges throughout SCP's service territory.

Director Reynolds updated the CAC on the Monthly Financial Statements; CM Quinlan noted his disagreement with the characterization that net position indicated healthy growth whereas in his opinion there was a net decrease. CEO Syphers detailed how this discrepancy is primarily caused by the seasonality of electric rates. In summer, commercial customers pay a higher energy rate and also have demand charges, so SCP's revenues are much higher. This means that nearly all of SCP's net income occurs during the summer months, so small negative values for a given winter month are not uncommon.

Public comment: None

4. Recommend Board Approval of a Contact with Sonoma Water for Continuation of the Energy Education Program

Director of Programs Cordel Stillman detailed terms of the agreement with Sonoma Water, which provides energy education programs to local schools, and will extend the program through 2021 at a rate of \$275k per year.

CEO Syphers noted that this agreement previously came to the CAC and the Board and was approved for a two-year term; however, staff inadvertently executed a one-year agreement hence the item being brought back.

Public comment: none

Motion to Recommend Board Approval of the Contract with Sonoma Water for Continuation of the Energy Education Program by CM Quinlan

Second: CM Nicholls

Motion passed: 9-0-0

CM Como left the meeting at approximately 2:06 p.m.

5. Receive Legislative and Regulatory Updates and Provide Input as Appropriate

CEO Syphers provided the legislative and regulatory report, which included updates on the Power Charge Indifference Adjustment fee (anticipated to save SCP customers approximately \$6 million); the State of California's Commission on Catastrophic Wildfire Cost and Recovery draft report; an update on CPUC Chairman Michael Picker's resignation announcement; and SCP's various legislative positions on pending bills, including AB 56 (Oppose), AB 684 (Support), AB 1635 (Support if Amended), SB 155 (Oppose as amended May 1, 2019), SB 167 (Support), SB 255 (Support), SB 350 (Allow to Negotiate), and SB 520 (Allow to Negotiate).

Chair Dowd asked about Chairman Picker leaving the CPUC. CEO Syphers suggested that Chairman Picker will likely step down by the end of the year.

CM Chaban asked about SB 167 (Wildfire Mitigation Plans De-energizing - Dodd) and implications for SCP customers and the organization's budget; CEO Syphers stated that initial estimates indicate that there will not be a significant impact on finances, but he would want to get through fire season prior to giving a definitive answer. He noted that the larger impact would be to SCP's customers should there be multi-day shutoffs.

Public comment: none

V. COMMITTEE MEMBER ANNOUNCEMENTS

Chair Dowd thanked staff for attending the CAC meetings and their contributions.

VI. ADJOURN

Chair Dowd adjourned the meeting at approximately 2:29 p.m.

Respectfully submitted,



Beau Anderson
Clerk of the Board